



Statement of Estimates 2017-2018

CAO Notes

APPROVED BY COUNCIL JUNE 26, 2017


Attached is the final draft of the 2017-2018 Statement of Estimates (SOE) for the Municipality of the District of Digby. The estimates provided represent the financial plan of the municipality for the fiscal year ending March 31, 2018.

The vision for the Municipality of the District of Digby was top of mind in the preparation of this budget and are summarized as follows:

- *Maintaining a healthy and natural environment;*
- *Having well maintained infrastructure and facilities that meet community needs and allow growth and development for prosperity;*
- *Building a strong and vibrant community by attracting, supporting and retaining businesses and residents;*
- *Building social capital and engaging citizens and partners to improve the well-being and diversity of the community;*
- *Being a fiscally sustainable government focused on strategic decision-making, transparency and inclusiveness.*

Council Strategic Priorities Report January 2017

CORPORATE PRIORITIES (Council/CAO) - April 2017

NOW	Timeline	<i>Advocacy / Partnerships</i>
1. Rural Internet Federal Funding Application	April	
2. Industrial Park Servicing Position Statement	April	✓ <i>Tidal Industry Feasibility</i>
3. Trails and Open Space Coordination	April	✓ <i>Regional Renewable Energy Strategy (WREN supply chain)</i>
4. Joint Council Meeting with Town of Digby- Shared Services	May	✓ <i>Electric Grid Capacity (NSPI and Province)</i>
5. Village of Weymouth Meeting-Shared Areas of Interest	June	✓ <i>Access to Primary Health Care (Digby Community & NSHA Stakeholder Committee)</i>
NEXT  <ul style="list-style-type: none"> • Haines Lake Property Plan • Industrial Park Prospectus Report • Joint Council Meeting with Clare-Shared Areas of Interest • Multi-Use Terminal Business Case • Climate Change- Municipal Strategy • Barton School Property • Fire Services Option Report (2018/19 Fiscal Year) 		✓ <i>Rural Internet-Western REN Rural Broadband Partnership</i>

018/19 ORGANIZATIONAL PRINCIPLES

✓ Be Environmental Friendly ✓ Maximize Community Engagement ✓ Encourage Youth Engagement	✓ Develop Alternative Revenue Sources ✓ Pursue Partnerships
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OPERATIONAL STRATEGIES

CAO - Linda 1) Rural Internet-Federal Application Support-April 2) Island Villages Meeting-March 3) Fire Service Options Research & Report-June 4) Joint Council Meeting – Municipality of Clare-April 5) Joint Council Meeting – Town of Digby- May 6) 2017/18 Operational Budget - June 7) 2017-2023 5 Year Capital Plan- June 8) Project Over Sight – Smiths Cove WW expansion	Renewable Energy/Climate Change – Terry 1) Climate Change Municipal Strategy- Dec 2) PACE Program Management –On-going responsibility 3) EV Charging Stations -May 4) Solar Program: ID Eligible Community Groups-May 5) <i>Regional Renewable Energy Strategy? (WREN)</i> 6) Bio-gas Generator/SEEL- On-going responsibility 7) <i>Tidal Feasibility-Continue Advocacy</i>
Deputy CAO/Operations - Jeff 1) Trail /Open Space Coordination Feasibility Report-April 2) Hiring Trail Coordinator – July 3) Lighthouse Transition -August 4) Airport Capital/Maintenance Plan -August	Corporate – Cora Lee 1) Administration Dept. Re-organization -May 2) Fiscal Control Policies -June 3) Annual Audit Prep Work -June
Business/Economic Development - Dan 1) Industrial Park Positioning Statement-April 2) Industrial Park Prospectus Report- August 3) Multi-Use Marine Terminal Business Case-March 2018 4) Business Owner Education Workshops-Only if demand arises and no conflict with previous 3 objectives 5) <i>Tidal Feasibility-Continue Advocacy</i>	Open Space/ Trails - (TBD) 1) Trail Plan-Sept 2) Open Space Plan Implementation-Sept 3) Haines Lake Property Plan 4) Barton School Property-Options



The SOE was prepared with no changes to the residential tax rate of \$ 1.30 and the commercial rate of \$ 1.85. This year’s SOE is proposing an increase of approximately 5.23% in revenues and expenditures from the 2016-2017 estimates.

A total of 4,387 residential and resource assessment accounts were capped with a negative financial impact to assessment of nearly \$ 40 million. This is down from 2016-2017 cap total of nearly \$ 50 million.

While tax revenue has seen an increase over last year’s budget of 3.18%, this is mainly due to assessment growth. The Municipality of the District of Digby has had no tax increases in the past eleven years.

In 2016-17, the tax revenue increase from assessment growth over the prior year was \$ 22,944 or .43%. In 2017-18 the increase improved to \$ 176,528 or 3.18%. This increase is mainly due to a decrease in the CAP adjustment and assessment growth.

TAX REVENUE	RATES	2017-2018	2016-2017	%
RESIDENTIAL	\$1.30	\$4,549,763	\$4,435,105	2.59%
RESOURCE	\$1.30	\$342,388	\$318,393	7.54%
COMMERCIAL	1.85	\$840,192	\$806,345	4.20%
LESS SEASONAL TOURIST REDUCTION		-\$9,557	-\$13,584	-29.65
TOTAL TAX REVENUE		\$5,722,787	\$5,546,259	3.18%

Some of the highlights are:

- **Maintaining a healthy and natural environment**
 - Hiring of a Trail Coordinator, new position
 - Support of Digby Area Recreation Commission programs & facilities
 - Continued support of the Fundy Y
 - Focus on renewable energy projects
 - Clean Energy Financing Program
 - Climate Change Municipal Strategy

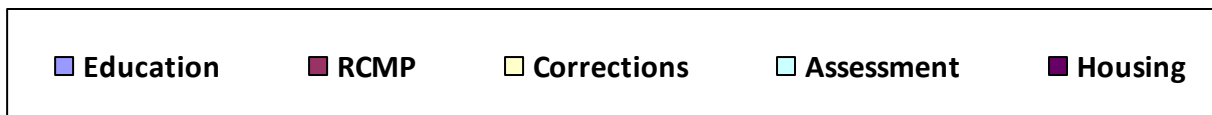
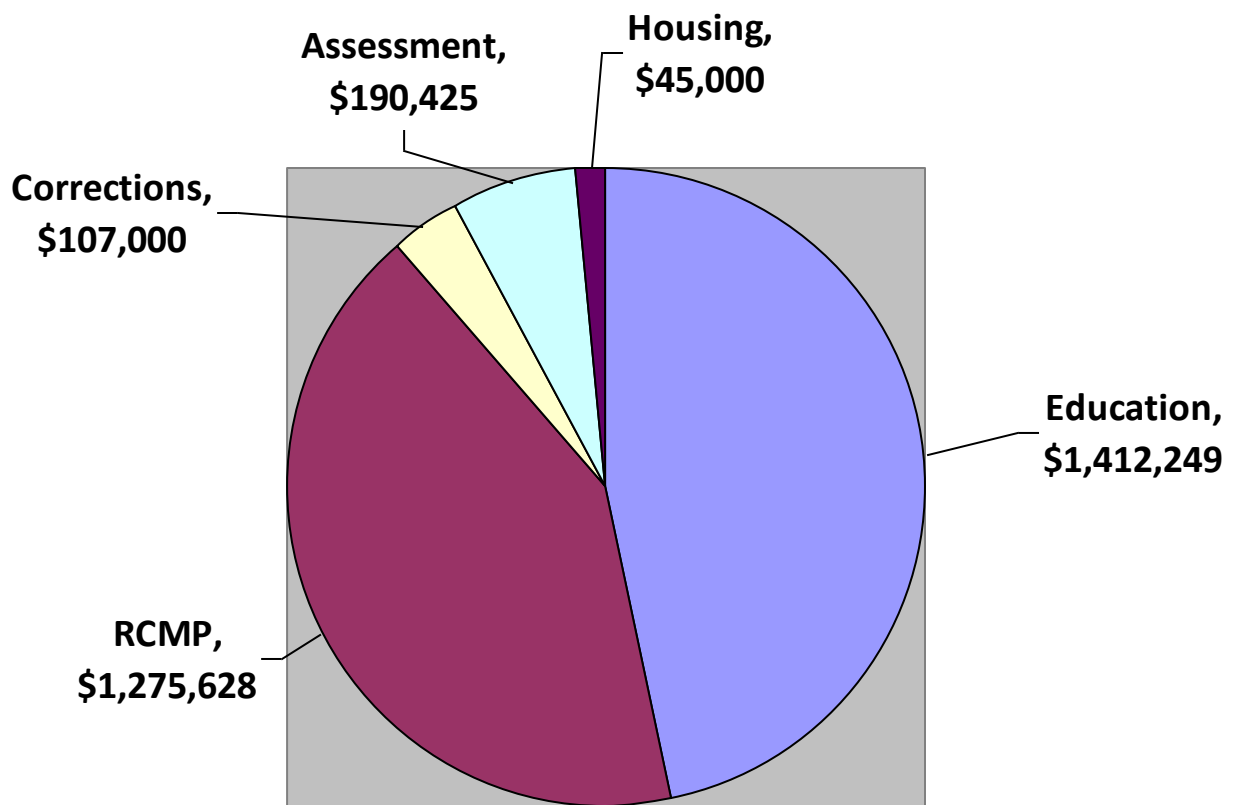
- **Having well maintained infrastructure and facilities that meet community needs and allow growth and development for prosperity;**
 - Investment in expansion of wastewater systems (Capital Budget)

- **Building a strong and vibrant community by attracting, supporting and retaining businesses and residents;**
 - Investment in Digby Industrial Park
 - Contracting with DH Business Service, Dan Harvey
 - Funding partner with Western Regional Enterprise Network
 - Funding and support of application to Connect To Innovate Program for Rural Internet

- **Building social capital and engaging citizens and partners to improve the well-being and diversity of the community;**
 - Continued support for Senior Safety Program
 - Continued support for Kings Transit
 - Increased support for Transport de Clare
 - Financial support of community groups and local festivals and events

- **Being a fiscally sustainable government focused on strategic decision-making, transparency and inclusiveness.**
 - Maintain tax rates for last 11 years
 - Posting of Councillor expenses on Municipal Web Site
 - Developed a 4 year Strategic Plan
 - Less reliance on tax revenue by finding other sources of revenue

MANDATORY EXPENSES-PROVINCIAL SERVICES - \$ 3,030,302
36% Total Expenditures

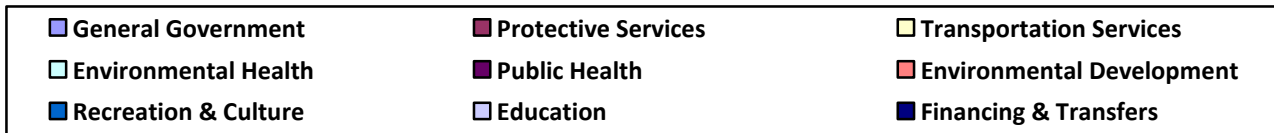
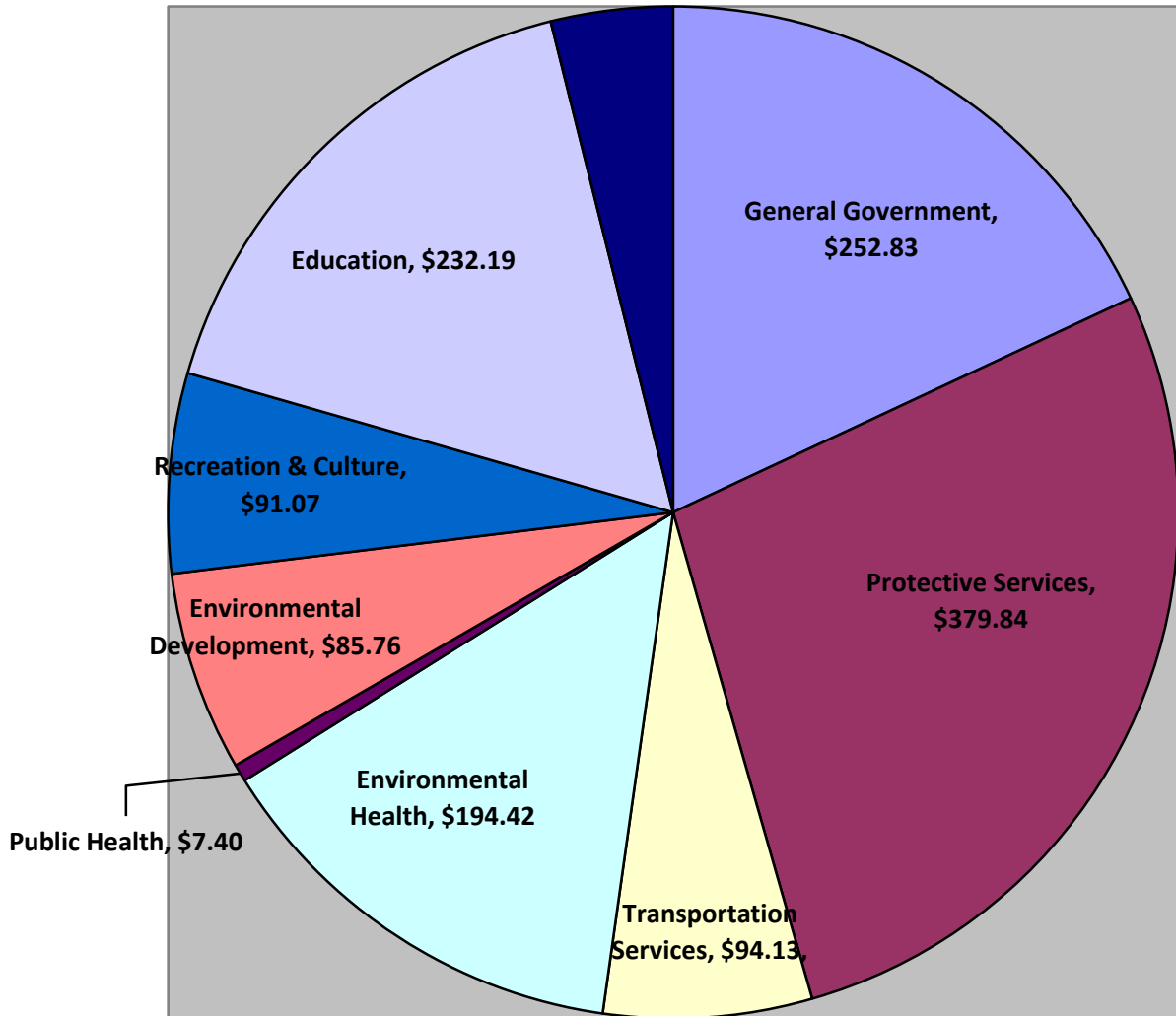


How The Tax Dollars Are Spent:

To the owner of an average home valued at \$ 100,000, the base budget being brought forward would levy taxes of approximately \$ 1,300 per household. If you factor in a .05 cent fire area rate and a .0407 street light rate that adds an additional \$ 90.70.

This does not include any sewer charge that may apply.

Financing &
Transfers, \$53.06

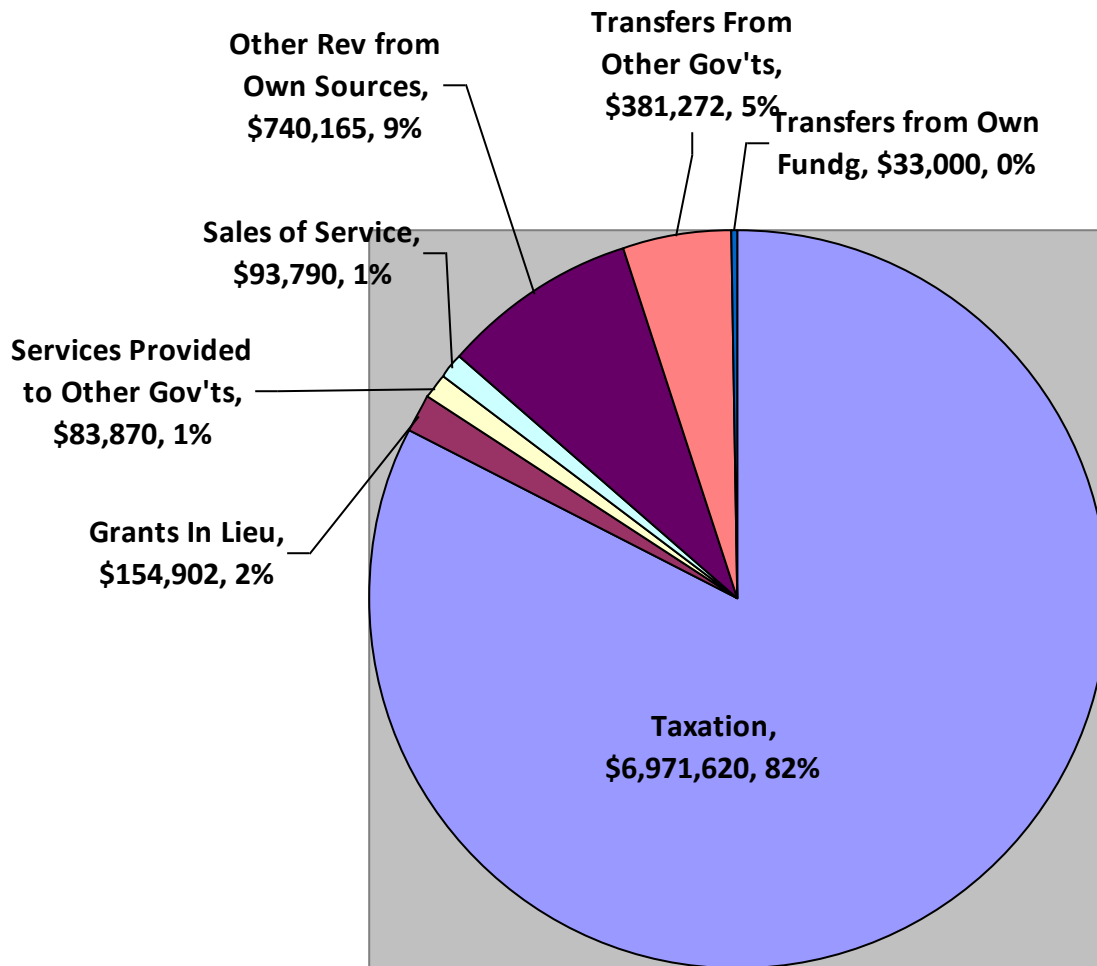







2017-2018 BUDGET SUMMARY – REVENUES \$ 8,458,619

	Budget 2016-2017	Actual 2016-2017 Unaudited	Proposed 2017-2018	% Change From Budget
Taxation	\$ 6,779,066	\$6,780,312	\$ 6,971,620	2.84%
Grants in Lieu of Taxes	\$ 143,120	\$149,848	\$ 154,902	8.23%
Services Provided Other Governments	\$ 84,100	\$83,615	\$ 83,870	-0.27%
Sales of Services	\$ 92,800	\$97,321	\$ 93,790	1.11%
Revenue from Own Sources	\$ 510,208	\$ 569,209	\$ 740,165	45.07%
Unconditional Transfers-Other Governments	\$ 360,178	\$ 361,421	\$ 360,272	0.03%
Conditional Transfers-Other Governments	\$ 3,560	\$ 3,560	\$ 21,000	490%
Transfers from Own Funds	\$ 65,000	\$ 0	\$ 33,000	-97%

TOTAL OPERATING REVENUE BY SOURCE - \$ 8,458,619



 Taxation	 Grants In Lieu
 Services Provided to Other Gov'ts	 Sales of Service
 Other Rev from Own Sources	 Transfers From Other Gov'ts
 Transfers from Own Fundg	

REVENUES

2017-2018 Operational Budget Highlights - Revenues

TAXES

PROPOSED BUDGET \$ 6,971,620	2016-2017 BUDGET \$ 6,779,066 2016-2017 ACTUAL \$ 6,780,312 BUDGET VARIANCE \$ 1,246 over
<ul style="list-style-type: none"> ➤ Assessable property ➤ Area Rates <ul style="list-style-type: none"> - Sewer - Street Light - Sidewalk - J Class Road ➤ Special Assessment <ul style="list-style-type: none"> - NS Power /Bell Aliant ➤ Other Taxes <ul style="list-style-type: none"> -Deed Transfer Tax - Wind Turbine Taxes 	<ul style="list-style-type: none"> ✓ Tax Revenue up by 3.18% ✓ CAPP rate set at 1.4% (1.30 % last year) ✓ Residential Tax Rate \$ 1.30 ✓ Commercial Tax Rate 1.85 ✓ No change in area rates ✓ Increase in NS Power Special Assessment of \$ 60,399 ✓ Expected decrease in HST Rebate-NSP

GRANTS IN LIEU OF TAXES

PROPOSED BUDGET \$ 154,902	2016-2017 BUDGET \$ 143,120 2016-2017 ACTUAL \$ 149,848 BUDGET VARIANCE \$ 6,728 over
<ul style="list-style-type: none"> ➤ Federal Grant in Lieu ➤ Provincial Grant in Lieu ➤ Provincial Forest Acreage 	<ul style="list-style-type: none"> ✓ New Conservation Property Exemption ✓ Provincial Grant in Lieu up by 25% from last budget

SERVICES PROVIDED TO OTHER GOVERNMENTS

SERVICES PROVIDED TO OTHER GOVERNMENTS	
PROPOSED BUDGET \$ 83,870	2016-2017 BUDGET \$ 84,100 2016-2017 ACTUAL \$ 83,615 BUDGET VARIANCE \$ 485 under
<ul style="list-style-type: none"> ➤ Anna Co -Wastewater Treatment ➤ Town of Digby <ul style="list-style-type: none"> - IT Services - Kings Transit - Building Inspection - Dog Control ➤ Annapolis Royal Building Inspect. 	<ul style="list-style-type: none"> ✓ Inter-municipal Agreements ✓ Anna Co- Wastewater Treatment up by 5% from 2016/17 actual

SALES OF SERVICE

SALES OF SERVICE	
PROPOSED BUDGET \$ 93,790	2016-2017 BUDGET \$ 92,800 2016-2017 ACTUAL \$ 97,321 BUDGET VARIANCE \$ 4,521 over
<ul style="list-style-type: none"> ➤ Tax Certificates ➤ Dispatch Services ➤ Airport Revenue 	<ul style="list-style-type: none"> ✓ Hanger rent stable ✓ Jet fuels sales stable ✓ Dispatch Services – 3 of Clare Fire Dept’s

REVENUE FROM OWN SOURCES

REVENUE FROM OWN SOURCES	
PROPOSED BUDGET \$ 125,540	2016-2017 BUDGET \$ 130,000 2016-2017 ACTUAL \$ 129,354 BUDGET VARIANCE \$ 646.00 under
<ul style="list-style-type: none"> ➤ Licenses & Permits ➤ Municipal Fines ➤ Income on Investments ➤ Interest on Outstanding Taxes 	<ul style="list-style-type: none"> ✓ Fire Departments loan interest ✓ Pace Program Interest new this year ✓ Building Permits

REVENUE COLLECTED FOR OTHER GOVERNMENT & AGENCIES	
PROPOSED BUDGET \$ 8,079	2016-2017 BUDGET \$ 9,574 2016-2017 ACTUAL \$ <u>12,252</u> BUDGET VARIANCE \$ 2,678 over
<ul style="list-style-type: none"> ➤ Village Rates Collected and Transferred ➤ Fire Area Rates Collected and Transferred 	<ul style="list-style-type: none"> ✓ 2% kept for Administrative Fees

OTHER REVENUE FROM OWN SOURCES	
PROPOSED BUDGET \$ 740,165	2016-2017 BUDGET \$ 510,208 2016-2017 ACTUAL \$ <u>569,209</u> BUDGET VARIANCE \$ 59,001 over
<ul style="list-style-type: none"> ➤ Subdivision Fees ➤ Weymouth Library Rental ➤ Commercial Garbage Fees ➤ Foreign Exchange ➤ COMFIT Revenue <ul style="list-style-type: none"> -Biogas Generator - 50 Kw Wind Turbine ➤ 800 Kw Wind Turbine 	<ul style="list-style-type: none"> ✓ Commercial Garbage continue to increase ✓ Budget reduction in revenue from Biogas ✓ Additional revenue from new 50 Kw wind turbine

UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS	
PROPOSED BUDGET \$ 360,272	2016-2017 BUDGET \$ 360,178 2016-2017 ACTUAL \$ <u>361,421</u> BUDGET VARIANCE \$ 1,243
<p style="text-align: center;">UNCONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS</p> <ul style="list-style-type: none"> ➤ Equalization Grant ➤ Farm Acreage Grant ➤ Divert (RRFB) for Household Hazard Waste 	<ul style="list-style-type: none"> ✓ Equalization frozen at the 2014-15 amounts



CONDITIONAL TRANSFERS FROM OTHER GOVERNMENTS	
PROPOSED BUDGET \$ 21,000	2016-2017 BUDGET \$ 3,569 2016-2017 ACTUAL \$ 3,569
<ul style="list-style-type: none"> ➤ Project Funding – Trail Coordinator ➤ Heritage Project Funding \$ 1,000 for Canada 150 marketing material 	<ul style="list-style-type: none"> ✓ Application submitted to Community Leadership Program- Won't get a response until after the election

TRANSFERS FROM OWN FUNDS/RESERVES	
PROPOSED BUDGET \$ 33,000	2016-2017 BUDGET \$ 65,000 2016-2017 ACTUAL \$ 0 (No transfers needed 2016-2017)
<ul style="list-style-type: none"> ➤ Transfers from Operating Reserves 	<ul style="list-style-type: none"> ✓ \$ 20,000 from Trail Reserve for Trail Coordinator ✓ \$ 10,000 from Trail Reserve for Trail/Open Space Grants ✓ \$ 3,000 from Lighthouse Reserve

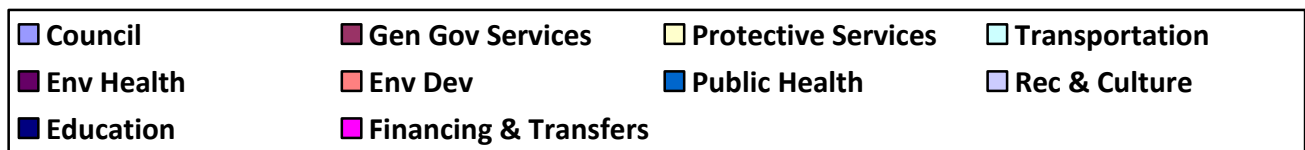
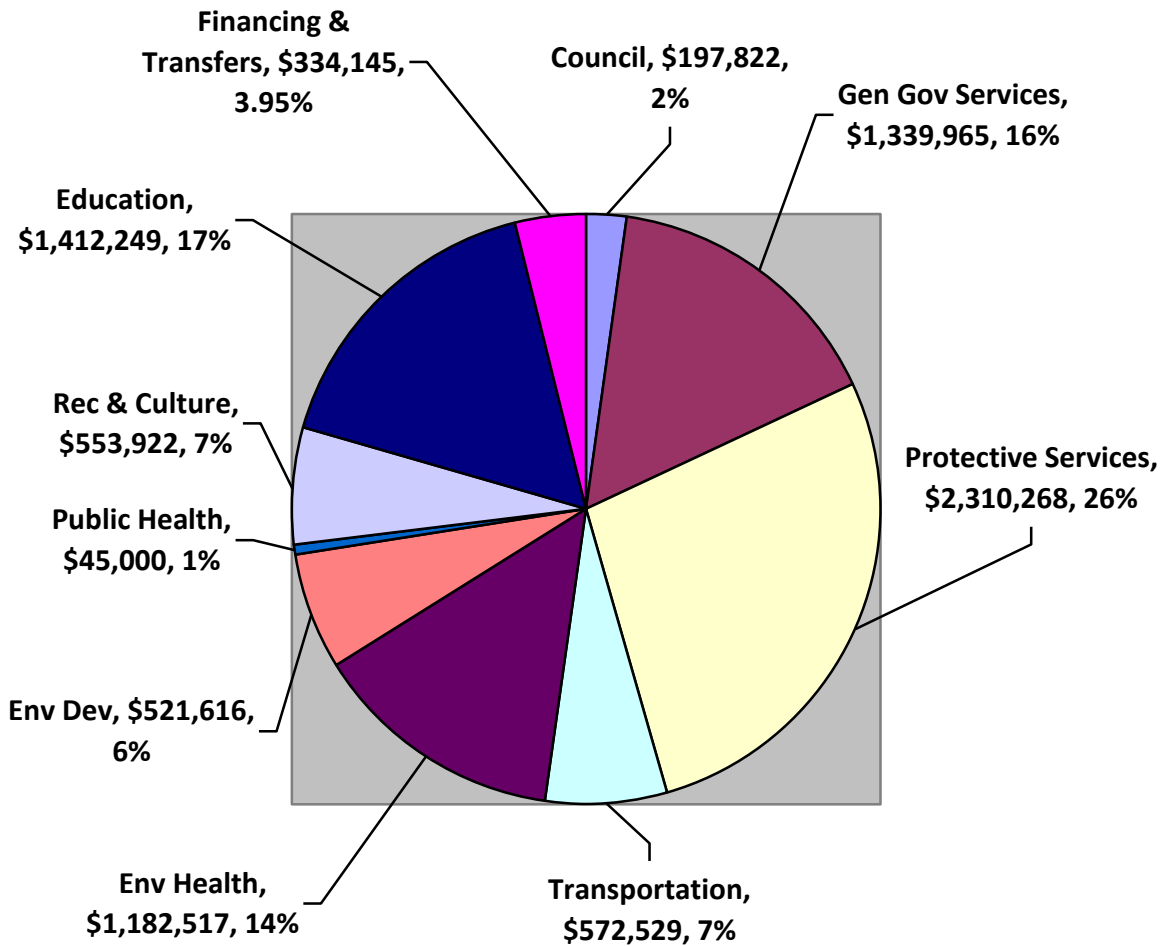


2017-2018 BUDGET SUMMARY – EXPENDITURES \$ 8,458,619

	Budget 2016-2017	Actual 2016-2017 Unaudited	Proposed 2017-2018	% Change From Budget
General Government Services	\$ 1,591,480	\$ 1,510,467	\$ 1,537,787	- 3.37 %
Protective Services	\$ 2,242,012	\$ 2,252,557	\$ 2,310,268	3.04 %
Transportation Services	\$ 559,955	\$ 556,866	\$ 572,529	2.25 %
Environmental Health Services	\$ 1,090,506	\$ 1,150,596	\$ 1,182,517	8.44 %
Public Health Services	\$ 45,000	\$	\$ 45,000	0.0 %
Environmental Development Services	\$ 385,731	\$ 317,512	\$ 521,616	35.23 %
Recreation & Culture Services	\$ 499,216	\$ 452,077	\$ 553,922	10.96 %
Education	\$ 1,399,131	\$ 1,399,131	\$ 1,412,249	.94 %

The following charts detail the Municipalities total expenditures by department and the funding sources to fund the operating budget.

TOTAL OPERATING EXPENDITURES - \$ 8,458,619 BY DEPARTMENT



EXPENDITURES

Operational Budget Highlights - Expenditures

GENERAL GOVERNMENT SERVICES	
<p>PROPOSED BUDGET \$ 1,537,787</p>	<p>2016-2017 BUDGET \$ 1,591,480 2016-2017 ACTUAL \$ 1,509,831 Budget Variance \$ 81,649 under</p>
<ul style="list-style-type: none"> ➤ Legislative (Council) ➤ General Administrative salaries ➤ Employee Benefits ➤ Taxation ➤ Financial Management ➤ Municipal Office Operations ➤ Information Technology ➤ Communication ➤ Other General Gov Services ➤ Community Grants ➤ Grants to Villages 	<ul style="list-style-type: none"> ✓ 1.4% Cost of living increase in wages for elected official and staff ✓ Increase in pension premiums ✓ Low income Tax rebate of \$ 250 for families whose income does not exceed \$ 25,000 ✓ Transfer to Assessment Services no change ✓ Reduction in one administrative staff position

PROTECTIVE SERVICES	
PROPOSED BUDGET \$ 2,310,268	2016-2017 BUDGET \$ 2,242,012 2016-2017 ACTUAL \$ 2,239,866 Budget Variance \$ 2,146 under
<ul style="list-style-type: none"> ➤ Policing Services ➤ Transfer to Corrections ➤ Law Enforcement ➤ Dog /Cat Control ➤ Fire Protection ➤ Building Inspection Services ➤ Dispatch Services ➤ Emergency Management 	<ul style="list-style-type: none"> ✓ RCMP increase estimated to be 3.8% ✓ Increase in Grants to Fire Departments of 2.95%

TRANSPORTATION SERVICES	
PROPOSED BUDGET \$ 572,529	2016-2017 BUDGET \$ 559,955 2016-2017 ACTUAL \$ 560,077 Budget Variance \$ 2,024 over
<ul style="list-style-type: none"> ➤ Public Works Salaries ➤ Road Transport ➤ Street Lights ➤ Airport Expenditures ➤ Dispatch Expenditures ➤ Avgas and Jet Fuel Purchases ➤ Public Transit 	<ul style="list-style-type: none"> ✓ Cost of living wage increase 1.4% ✓ Roads & Streets increase 1.5 % ✓ No increase in Kings Transit ✓ \$ 5,000 increase to Transport de Clare ✓ Anticipating lower costs for LED streetlights

ENVIRONMENTAL HEALTH SERVICES	
PROPOSED BUDGET \$ 1,182,517	2016-2017 BUDGET \$ 1,090,506 2016-2017 ACTUAL \$ 1,120, 846 Budget Variance \$ 30,340 over
<ul style="list-style-type: none"> ➤ Waste Check Administration ➤ Waste Water Collection & Treatment Digby; Weymouth; Bear River and Smiths Cove ➤ Solid Waste ➤ Collection & Disposal; Transfer Station; Public Drop Off 	<ul style="list-style-type: none"> ✓ Cost of living wage increase 1.4% ✓ Increase in Waste Check Administration cost of \$ 3,000 ✓ Increase in tipping fee for garbage to Queens ✓ Interest on long term debt

PUBLIC HEALTH SERVICES	
PROPOSED BUDGET \$ 45,000	2016-2017 BUDGET \$ 45,000 2016-2017 ACTUAL \$
<ul style="list-style-type: none"> ➤ Western Region Housing Authority 	<ul style="list-style-type: none"> ✓ Deficits of Housing Authority

ENVIRONMENTAL DEVELOPMENT SERVICES	
PROPOSED BUDGET \$ 521,616	2016-2017 BUDGET \$ 385,731 2016-2017 ACTUAL \$ <u>319,294</u> Budget Variance \$ 66,437 under
<ul style="list-style-type: none"> ➤ Planning & Development ➤ Economic Development (WREN, economic development projects, DDA)-Tourism 	<ul style="list-style-type: none"> ✓ Western Regional Enterprise Network ✓ Contract with Dan Harvey ✓ BioGas Generator Costs ✓ Special Projects ✓ Digby Area Tourism Assoc. ✓ Renewable Energy Projects ✓ Municipal Marketing & Events ✓ Wind Turbine Operating Costs

RECREATION AND CULTURAL SERVICES	
PROPOSED BUDGET \$ 553,922	2016-2017 BUDGET \$ 499,216 2016-2017 ACTUAL \$ <u>477,468</u> Waiting for Digby Library costs share amt.
<ul style="list-style-type: none"> ➤ Heritage ➤ Recreation ➤ Regional and local libraries 	<ul style="list-style-type: none"> ✓ No increase in Digby Area Recreation Commission budget ✓ Trails & Open Space grants ✓ Trail Coordinator-new position ✓ Heritage projects ✓ Contribution to Fundy Y \$ 12,500 (Year 3 of 5 years) ✓ Haines Lake Property Development ✓ Lighthouses

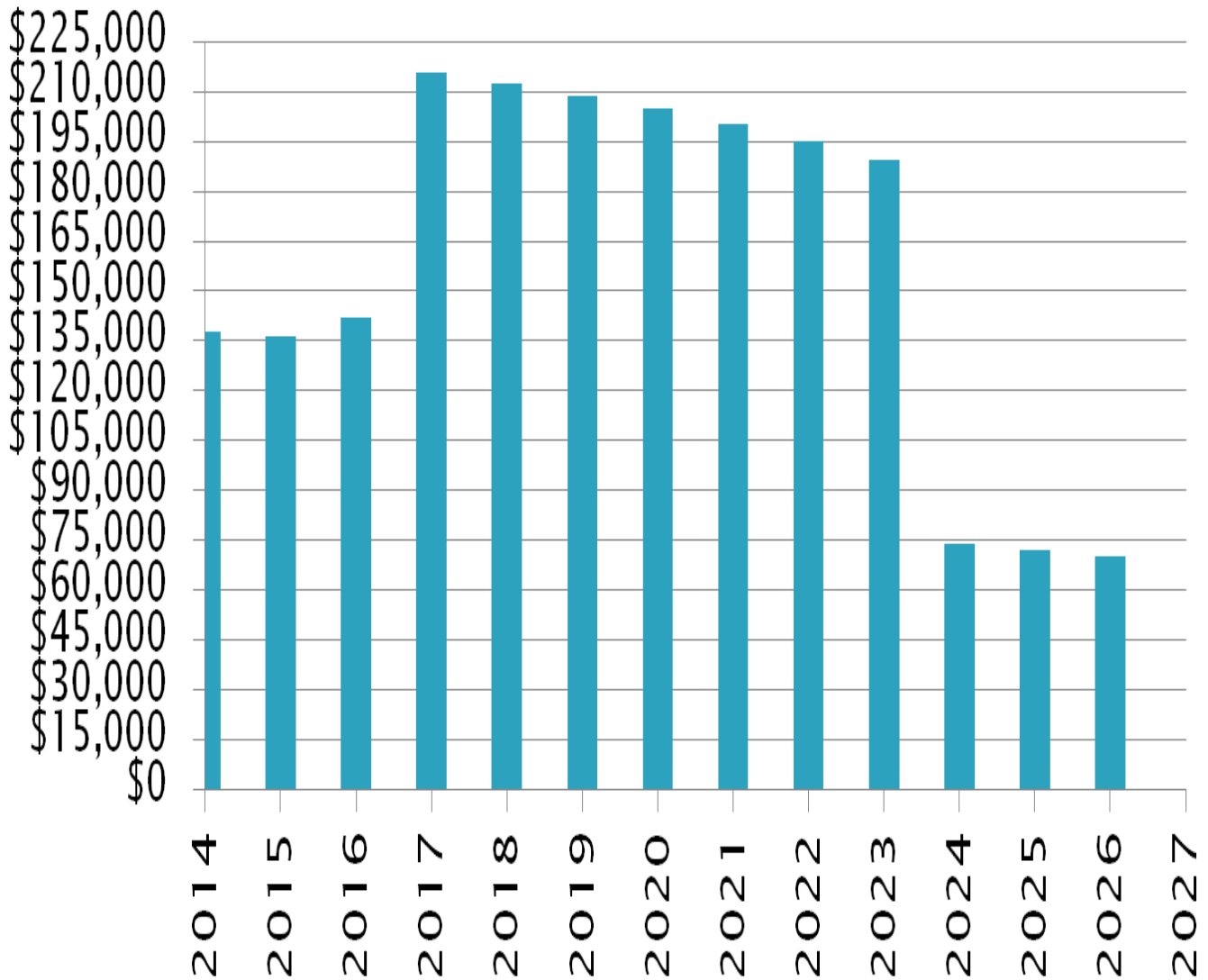
EDUCATION

EDUCATION	
PROPOSED BUDGET \$ 1,412,249	2016-2017 BUDGET \$ 1,399,131 2016-2017 ACTUAL \$ 1,399,131
➤ Tri-County Regional School Board	✓ Less than a 1% increase

FINANCING AND TRANSFERS

FINANCING AND TRANSFERS	
PROPOSED BUDGET \$ 322,730	2016-2017 BUDGET \$ 225,000 2016-2017 ACTUAL \$ 225,592 Budget Variance \$ 592 over
<ul style="list-style-type: none"> ➤ Transfers to own reserves, agencies ➤ Capital funded from operating ➤ Conditional Transfers to villages 	<ul style="list-style-type: none"> ✓ Transfer to capital reserve ✓ Transfers to operating reserves <ul style="list-style-type: none"> -Trail/Open Space -JACBA ✓ Debenture Principal \$ 179,000

Principal & Interest



DEBT REPAYMENT SCHEDULE